

Platte Township

Benzie County, Michigan

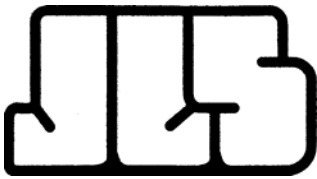
Audited Financial Statements

For the Year Ended March 31, 2008

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION	
<u>Independent Auditor's Report</u>	1
<u>Financial Statements</u>	
<u>Exhibit</u>	
A Government Wide Statement of Net Assets	2
B Government Wide Statement of Activities	3
C Governmental Funds Balance Sheet	4
D Reconciliation of the Balance Sheet to the Statement of Net Assets	5
E Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balance	6
F Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	7
G Fiduciary Fund Statement of Net Assets	8
<u>Notes to Financial Statements</u>	9-13
REUIRED SUPPLEMENTAL INFORMATION	
<u>Schedule</u>	
1 Budgetary Comparison Schedule – General Fund	14-15
OTHER INFORMATION (UNAUDITED)	
<u>Comments and Recommendations</u>	16-17

FINANCIAL SECTION



J L Stephan Co PC

Certified Public Accountants

Jerry L. Stephan, CPA

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Christopher H. Cornell, CPA

INDEPENDENT AUDITOR'S REPORT

Platte Township Board
5412 Indian Hill Road
Honor, MI 49640

We have audited the accompanying financial statements of the governmental activities and each major fund of Platte Township as of and for the year ended March 31, 2008 as listed in the table of contents. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with accounting standards generally accepted in the United States of America. These standards require that we plan and perform the audit to provide reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Township as of March 31, 2008 and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United State of America.

As described in Note 1, the Township has implemented a new financial reporting model, as required by provisions of GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, as of April 1, 2004. The accompanying statements do not present a management's discussion and analysis, which would be an analysis of the financial performance for the year. The Governmental Accounting Standards Board has determined that this analysis is necessary to supplement, although not required to be a part of the basic financial statements.

The budgetary comparison information on pages 15-16 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

J. L. Stephan Co. P.C.

October 15, 2008

Platte Township
Government Wide
Statement of Net Assets
March 31, 2008

Exhibit A

	<i>Governmental Activities</i>
Assets	
Cash and Cash Equivalents	\$ 154,815
Taxes & Fees Receivable	3,030
Due from State	-
Due from Other Funds	4,887
Capital Assets - Net	<u>38,220</u>
 <i>Total Assets</i>	 <u>200,952</u>
 Liabilities	
Accounts Payable	-
Accrued and Other Liabilities	-
Due to Other Funds	-
Deferred Revenue	<u>-</u>
 <i>Total Liabilities</i>	 <u>-</u>
 Net Assets	
Invested in Capital Assets - net of related debt	38,220
Unrestricted	<u>162,732</u>
 <i>Total Net Assets</i>	 <u><u>\$ 200,952</u></u>

The Notes to Financial Statements are an integral part of this statement

Platte Township
Government Wide
Statement of Activities
For the Year Ended March 31, 2008

Exhibit B

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>			<i>Primary Government</i>
		<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>	<i>Capital Grants and Contributions</i>	<i>Governmental Activities</i>
<i>Primary Government</i>					
General Government	\$ 34,833	\$ 420	\$ -	\$ -	\$ (34,413)
Public Safety	13,701	-	-	-	(13,701)
Public Works	2,810	-	1,406	-	(1,404)
Community and Economic Dev.	-	-	-	-	-
Recreation and Culture	-	-	-	-	-
Other Functions	1,246	-	-	-	(1,246)
Interest on Long-Term Debt	-	-	-	-	-
<i>Total Governmental Activities</i>	<u>52,590</u>	<u>420</u>	<u>1,406</u>	<u>-</u>	<u>(50,764)</u>
<i>Total Primary Government</i>	<u>\$ 52,590</u>	<u>\$ 420</u>	<u>\$ 1,406</u>	<u>\$ -</u>	<u>(50,764)</u>
<i>General Revenues</i>					
					44,159
					23,530
					3,657
					167
					-
					-
					-
					-
					<u>71,513</u>
					<u>20,749</u>
					<u>180,203</u>
					<u>\$ 200,952</u>

The Notes to Financial Statements are an integral part of this statement

Platte Township
Governmental Funds
Balance Sheet
March 31, 2008

Exhibit C

	<i>General Fund</i>	<i>Total</i>
<i>Assets</i>		
Cash - Unrestricted	\$ 154,815	\$ 154,815
Taxes & Fees Receivable	3,030	3,030
Due from State	-	-
Due from Other Funds	4,887	4,887
Special Assessments Receivable	-	-
<i>Total Assets</i>	<u>162,732</u>	<u>162,732</u>
<i>Liabilities</i>		
Accrued Liabilities	-	-
Deferred Revenue	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>		
Fund Balances - Unreserved	<u>162,732</u>	<u>162,732</u>
<i>Total Fund Balances</i>	<u><u>\$ 162,732</u></u>	<u><u>162,732</u></u>

The Notes to Financial Statements are an integral part of this statement

Platte Township
*Reconciliation of the Balance Sheet
to the Statement of Net Assets
March 31, 2008*

Exhibit D

Fund Balance - Total Governmental Funds (Exhibit C)	\$ 162,732
-----------------------------------------------------	------------

*Amounts reported for governmental activities in the statement of net assets
are different because:*

General Governmental Capital Assets of \$91,482 net of accumulated
depreciation of (\$53,262) are not financial resources and not reported in
in the funds.

38,220

Net Assets of Governmental Activities

\$ 200,952

Platte Township
Governmental Fund
Statement of Revenue, Expenditures
and Changes on Fund Balance
For the Year Ended March 31, 2008

Exhibit E

	<i>General Fund</i>	<i>Total Governmental Funds</i>
<i>Revenues</i>		
Taxes	\$ 44,159	\$ 44,159
State Grants	24,936	24,936
Charges for Services	420	420
Interest Earned	3,657	3,657
Reimbursements	167	167
Miscellaneous Income	-	-
<i>Total Revenues</i>	<u>73,339</u>	<u>73,339</u>
<i>Expenditures</i>		
General Government	34,393	34,393
Public Safety	13,701	13,701
Public Works	2,810	2,810
Other Functions	1,246	1,246
<i>Total Expenditures</i>	<u>52,150</u>	<u>52,150</u>
<i>Excess Revenues Over (Under) Expenditures</i>	21,189	21,189
<i>Other Financing Sources (Uses)</i>		
Operating Transfers In	-	-
Operating Transfers (Out)	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>
<i>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</i>	21,189	21,189
Fund Balance - Beginning	<u>141,543</u>	<u>141,543</u>
Fund Balance - Ending	<u><u>\$ 162,732</u></u>	<u><u>\$ 162,732</u></u>

The Notes to Financial Statements are an integral part of this statement

Platte Township

Exhibit F

*Reconciliation of the Statement of Revenue, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended March 31, 2008*

Change in Fund Balance - Total Governmental Funds (Exhibit E)	\$ 21,189
---------------------------------------------------------------	-----------

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$-) is exceeded by depreciation (\$440) in the current period.

(440)

Change in net assets of governmental activities (Exhibit B)

<u>\$ 20,749</u>

Platte Township
Fiduciary Fund
Statement of Net Assets
March 31, 2008

Exhibit G

	<i>Tax Collection</i>
Assets	
Cash	\$ 4,887
Due From Other Funds	<u> -</u>
<i>Total Assets</i>	<u><u>\$ 4,887</u></u>
Liabilities	
Due to General Fund	\$ 4,887
Due to Others	<u> -</u>
<i>Total Liabilities</i>	<u><u>\$ 4,887</u></u>

The Notes to Financial Statements are an integral part of this statement

Platte Township
Notes to Financial Statements
March 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Platte Township have been prepared in accordance with generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

A. Reporting Entity

Platte Township is a common law township as defined by the laws of the State of Michigan. An elected Supervisor and Township Board govern the Township. The current state taxable value is \$14,998,442.

The criteria established by Statement 14 of the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity's financial statements are based primarily on the concept of financial accountability. On this basis, accordingly, the financial statements of certain other governmental organizations are not included in the financial statements of the Township.

B. Government –Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Platte Township
Notes to Financial Statements
March 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Township collects summer school taxes from July 1 and September 15 and property taxes between December 1 and February 28. Any uncollected real property taxes that become delinquent March 1 are purchased (paid) by Benzie County after the Township's year-end. Delinquent property taxes and administration fees receivable are normally received within 60 days of the Township's fiscal year end, and are therefore reflected as a current receivable on the combined balance sheet and as a component current revenue.

The local unit reports the following major governmental fund:

General Fund - This Fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state distributions, and other intergovernmental revenues.

Additionally, the government reports the following fund type:

Tax Collection Fund - Trust and Agency Funds are used to account for assets held by the Township in a trustee or custodial capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Platte Township
Notes to Financial Statements
March 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Receivables and Payables – All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed. Because the County generally pays delinquent real property taxes and administration fees within 60 days of the Township's year-end, taxes receivable are considered current and are a component of current property taxes on the governmental fund statements.

Capital Assets – capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Generally, capital assets are defined by the government as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Depreciation has been provided on these fixed assets using the straight line method over there estimated useful lives.

- | | |
|----------------------------------|-------------|
| • Office Equipment | 5 years |
| • Furniture & Fixtures | 5-7 years |
| • Building and Land Improvements | 10-30 years |

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets

The General Fund is under formal budgetary control. The budget shown in the financial statements for this fund was prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

Encumbrance accounting is not used and appropriations normally lapse at year-end.

B. Budget Compliance

P.A. 621 of 1978, Section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amounts appropriated.

Platte Township
Notes to Financial Statements
March 31, 2008

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued

During the year ended March 31, 2008, the Township had expenditures in excess of amounts appropriated as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund: Clerk	\$ 5,500	\$ 5,524	\$ (24)
General Fund: Treasurer	6,000	6,761	(761)

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Michigan Compiled Laws, Section 129.91

This law authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements' bankers' acceptance of the United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Local Governmental Unit Council has designated four banks for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investments as outlined above.

The Local Governmental Unit's deposits and investment policy are in accordance with the statutory authority.

B. Types of Deposits and Investments

At year-end, the Local Unit's cash deposits and cash equivalents were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total Primary Government</u>
Cash and Equivalents	\$ 154,815	\$ 4,887	\$ 159,702
Restricted Assets	-	-	-
Total Deposits	<u>\$ 154,815</u>	<u>\$ 4,887</u>	<u>\$ 159,702</u>

The bank balance of the primary government's deposits is \$163,515, of which \$130,299 is covered by federal depository insurance.

Platte Township
Notes to Financial Statements
 March 31, 2008

NOTE 4 – SUMMARY OF CAPITAL ASSETS

Capital asset activity of the primary government for the current year is summarized as follows:

Governmental Activities

	<u><i>Beginning Balance</i></u>	<u><i>Additions</i></u>	<u><i>Deletions</i></u>	<u><i>Ending Balance</i></u>
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 34,500	\$ -	\$ -	\$ 34,500
<i>Capital Assets Being Depreciated</i>				
Buildings & Improvements	52,794	-	-	52,794
Office Equipment	980	-	-	980
Furniture & Fixtures	<u>3,208</u>	<u>-</u>	<u>-</u>	<u>3,208</u>
	<u>56,982</u>	<u>-</u>	<u>-</u>	<u>56,982</u>
<i>Accumulated Depreciation</i>				
Buildings & Improvements	(48,634)	(440)	-	(49,074)
Office Equipment	(980)	-	-	(980)
Furniture & Fixtures	<u>(3,208)</u>	<u>-</u>	<u>-</u>	<u>(3,208)</u>
	<u>(52,822)</u>	<u>(440)</u>	<u>-</u>	<u>(53,262)</u>
<i>Net Capital Assets being Depreciated</i>	<u>4,160</u>	<u>(440)</u>	<u>-</u>	<u>3,720</u>
<i>Total Capital Assets of Governmental Activities – Net of Depreciation</i>	<u>\$ 38,660</u>	<u>\$ (440)</u>	<u>\$ -</u>	<u>\$ 38,220</u>

Depreciation expense in the current year was charged to programs of the primary government as follows:

Governmental Activities

General Government	<u>\$ 440</u>
Total Governmental Activities	<u>\$ 440</u>

NOTE 5 – RISK MANAGEMENT

The Township pays an annual premium to Michigan Municipal Underwriters for its general insurance coverage through the Michigan Township Participating Plan. The Township carries coverage for property damage, liability, crime, and wrongful acts. Also, it carries worker's compensation insurance with The Accident Fund of Michigan. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

Platte Township
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2008

Schedule 1

	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Actual</i>	<i>Favorable (Unfavorable)</i>
Beginning Fund Balance	\$ 141,543	\$ 141,543	\$ 141,543	\$ -
<i>Resources (Inflows)</i>				
Property Taxes	13,000	13,000	13,129	129
Fire Taxes	12,000	12,000	13,333	1,333
Swamp Tax	12,000	12,000	12,237	237
PILT	200	200	298	98
Property Tax Admin. Fee	2,500	2,500	4,092	1,592
SET Administration Fee	-	-	1,070	1,070
State Shared Revenue	23,000	23,000	23,530	530
State ROW	1,400	1,400	1,406	6
Cemetery	600	600	420	(180)
Interest Earned	1,000	1,000	3,657	2,657
Reimbursements	150	150	167	17
Miscellaneous Income	-	-	-	-
Transfers from Other Funds	-	-	-	-
<i>Total Available for Appropriation</i>	<i>207,393</i>	<i>207,393</i>	<i>214,882</i>	<i>7,489</i>
<i>Charges to Appropriations (Outflows)</i>				
<i>General Government</i>				
Township Board	11,000	11,000	6,797	4,203
Supervisor	4,500	4,500	3,520	980
Clerk	5,500	5,500	5,524	(24)
Board of Review	1,300	1,300	900	400
Treasurer	6,000	6,000	6,761	(761)
Assessor	5,000	5,000	4,570	430
Elections	2,500	2,500	1,842	658
Township Hall	4,500	4,500	3,405	1,095
Cemetery	4,000	4,000	1,074	2,926
<i>Public Safety</i>				
Fire	19,000	19,000	13,701	5,299
<i>Public Works</i>				
Roads	3,000	3,000	2,810	190

Notes to Financial Statements are an integral part of this statement

Platte Township
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2008

Schedule 1

	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Actual</i>	<i>Favorable (Unfavorable)</i>
Other Expenditures				
Payroll Taxes	1,500	1,500	1,246	254
Contingencies/Miscellaneous	3,000	3,000	-	3,000
Transfers to Other Funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Charges to Appropriations</i>	<i>70,800</i>	<i>70,800</i>	<i>52,150</i>	<i>18,650</i>
	<hr/>	<hr/>	<hr/>	<hr/>
Budgetary Fund Balance	<u>\$ 136,593</u>	<u>\$ 136,593</u>	<u>\$ 162,732</u>	<u>\$ 26,139</u>

Notes to Financial Statements are an integral part of this statement

OTHER INFORMATION (UNAUDITED)

Platte Township

Comments and Recommendations

In planning and performing our audit of the financial statements of the governmental activities of Platte Township as of and for the year ended March 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Governmental Unit's internal control. Our consideration of internal control included procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented, but it did not include procedures to test the operating effectiveness of controls, and accordingly, was not directed to discovering significant deficiencies in internal control. Accordingly, we do not express an opinion on the effectiveness of the Governmental Unit's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control.

Segregation of Duties

We recognize the Township operates with limited personnel. This limitation may lead directly to a lack of proper segregation of duties and, in many cases, a lack of expertise in financial accounting and reporting regardless of accounting and operational policies.

However, we believe reasonable compensating controls have been implemented by the Township as suggested by the State's Accounting Procedures Manual that reduce potentially significant deficiencies to an inconsequential matter and the risk of material misstatement of the financial statement is assessed at a low level.

Opening Comments

Your Clerk and Treasurer maintained the records of the Township in good condition. Recorded revenues were deposited timely and in tact. However, we noted some clerical errors in quarterly reports did not reconcile with postings to the general ledger. In a continuing effort to enhance internal control and improve the accounting system, financial reporting, and overall management, we offer the following comments and recommendations.

Platte Township

Comments and Recommendations

Budget

We noted the Township budgeted a deficit for the current fiscal year. Although the State allows for budgeted use of carryover fund balances, care should be taken to prepare a balanced budget in the future. Below is the Treasury website link for the State's Uniform Budgeting Manual. As a matter of course, we recommend reviewing it and maintain proper budgeting procedures as described in the manual.

http://www.michigan.gov/documents/UniformBudgetManual_16634_7.pdf

Closing Comments

We will be happy to discuss any of these recommendations with you and assist you in their implementation. As a matter of course, we will furnish you with the necessary copies of this audit report for mailing to the State Treasury Department. We further appreciate the courtesy extended our field auditors in the conduct of this audit engagement. Should any questions arise on this audit report and the conduct of our audit, please call upon us.